

IN THE CHANCERY COURT FOR HAMILTON COUNTY, TENNESSEE

STATE OF TENNESSEE, ex rel. ANNE B. POPE,  
in her official capacity as COMMISSIONER OF THE  
TENNESSEE DEPARTMENT OF  
COMMERCE AND INSURANCE,

Petitioner,

vs.

UNITED STATES FIRE INSURANCE COMPANY;  
UNITED STATES FIDELITY AND GUARANTY  
COMPANY; EMPLOYERS REINSURANCE  
CORPORATION; UTICA MUTUAL INSURANCE  
COMPANY; INSURANCE COMPANY OF NORTH  
AMERICA; and SAFECO INSURANCE COMPANY  
OF AMERICA

Respondents.

vs.

CARLISE CAGLE, DAVID SEALE, BRADLEY  
HATFIELD, DOUG WEST, SR., RICHARD COLE  
JAMES WORKMAN, SILAS PASSMORE, JIM T.  
DICKSON, EDDIE HART, SR.

Intervening Petitioners,

*In matter of Bonds held by the Commissioner  
for Workers' Compensation Self-Insurance of Tennessee  
employer, NORTH AMERICAN ROYALTIES, INC.,  
and its subsidiaries, Wheland Holding Company, Inc.,  
Wheland Manufacturing Company, Inc. and Wheland  
Foundry, LLC, debtors in possession;*

No. 02-0079

Part I

FILED

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S. LEE AKERS, CLERK

**SECOND ORDER REGARDING COMMISSIONER'S VERIFIED PETITION,  
ORDERING TURN-OVER OF BOND PROCEEDS POSTED FOR WORKERS'  
COMPENSATION SELF-INSURANCE UNDER TENN. CODE ANN. § 50-6-405  
AND APPOINTING A RECEIVER TO ADMINISTER BOND FUNDS;**

This matter was heard on February 11, 2002 and February 21, 2002 in Part I of the  
Hamilton County Chancery Court, Chancellor W. Frank Brown, III presiding, on the petition of  
Anne B. Pope, in her official capacity as Commissioner of the Tennessee Department of

This matter was heard on February 11, 2002 and February 21, 2002 in Part I of the Hamilton County Chancery Court, Chancellor W. Frank Brown, III presiding, on the petition of Anne B. Pope, in her official capacity as Commissioner of the Tennessee Department of Commerce and Insurance, (“Commissioner”) to obtain the benefit of proceeds of bonds covering various periods for the outstanding self insured Tennessee workers’ compensation liability of employer in bankruptcy, North American Royalties, Inc., and its subsidiaries Wheland Holding Company, Inc., Wheland Manufacturing Company, Inc. and Wheland Foundry, LLC, (collectively “NAR/Wheland”), for a receiver to administer the Bonds and for temporary injunction. After the hearing on February 11, 2002, this Court entered an Order filed on February 13, 2002 initially granting in part the relief requested by the Commissioner, by establishing in the February 13, 2002 Order, that claims asserted against the bonds must be filed in this action and **that all claims must be asserted by claimants filing Proofs of Claim with the Clerk and Master on or before April 19, 2002 at 4:00 p.m. Eastern Time or be forever barred from collecting monies from the bonds, bond proceeds or insurance companies issuing the bonds.**

The hearing on February 21, 2002 considered the Commissioner’s proposal that the three last Respondents to post a bond immediately turn over the aggregate penal sum of their bonds, and that a receiver be appointed to administer claims against the bond funds. Upon consideration of the Verified Petition, its exhibits and the Affidavit of Jeanne Bryant, the responses and oppositions filed thereto, the Supplemental Memorandum of Law filed by the Commissioner, the testimony and evidence taken at both hearings, and the arguments of counsel and interested parties, in accordance with the findings announced on the record, and in reliance on this Court’s ruling and Order of February 28, 2002 in respect of the Intervening Petition limiting the aggregate liability of each of Respondents United States Fire Insurance Company, United States Fidelity & Guaranty Company, and Employers Reinsurance Corporation on their Bonds to the penal sums of their Bonds, the Court FINDS good cause for further terms of an order requested by the Commissioner, as modified (which order, and the other prior orders entered by this Court, in no way limit any claimant’s rights to any potential excess policies for their claims) and FINDS as follows:

1. This action is brought by the Commissioner of the Tennessee Department of Commerce and Insurance, (“Commissioner” and “Department”), with the leave of the Bankruptcy Court overseeing NAR/Wheland, to allow claims to be brought by the employees of NAR/Wheland directly against several bonds held by the Commissioner in a fiduciary capacity for outstanding Tennessee workers compensation liability of the self-insured employer, NAR/Wheland (collectively, as identified in Paragraph 3 below, the “Bonds”) under Tenn. Code Ann. § 50-6-405. The Commissioner seeks to consolidate the suits that could be brought against the Bonds and to enjoin any other form of suit or claim against the Bonds held by her or the State. The Commissioner seeks the appointment of a receiver for safekeeping and disposition of the Bonds under Tenn. Code Ann. § 29-1-103 and pursuant to T.R.C.P. 66, to act under the supervision of this Court, to take claims and to recommend payments to be made from the Bonds as authorized by the Court in light of the claimants entitlement to workers’ compensation benefits and the equitable purposes of the Bonds.

2. NAR/Wheland ceased paying any of its self-insured workers’ compensation liability since filing for bankruptcy protection under 11 U.S.C. § 101, et seq., in United States Bankruptcy Court, Eastern District of Tennessee, Southern Division, now consolidated under case number 01-17271 (Bankruptcy Court) on November 7, 2001. On November 15, 2001, the Department withdrew approval from NAR/Wheland to be self-insured in the State of Tennessee for workers’ compensation liability. The Bankruptcy Court, on January 11, 2002, granted an Order to lift the automatic stay related to any of the self insurance bonds solely for the purpose of allowing the Commissioner to bring this action to administer the bonds in the Chancery Court of Hamilton County, and ordered the bonding companies to “tender funds called by the State of Tennessee for the payment of workers compensation benefits pursuant to an order of the Chancery Court of Hamilton County.” Therefore it is appropriate under Tenn. Code Ann. § 50-6-405 that an administration promptly be established to permit the bond proceeds to be made available for the payment of valid and unpaid workers compensation claims subject to Tennessee law.

3. Pursuant to the Bonds on file with the Department, the various Bond Company Respondents are firmly bound to the State of Tennessee for the use and benefit of the employees of NAR/Wheland in varying penal sums which are to be paid to the State of Tennessee.

Based on the official records of said bonds on file with the Department, the following is the list of the Bond Companies obligated in this case, and the apparent time-period and penal sum of coverage of the bonds:

1) United States Fire Insurance Company (“USFIC”) Bond no. 610-221502-8 for \$975,000, effective as of 11-18-1999, cancelled effective 11-23-2001;

2) United States Fidelity and Guaranty Company (“USF&G”) Bond no. 51-0110-17921-96-01, effective 02-12-1996 for \$350,000; effective 10-01-1998 increased to \$600,000 (with aggregate liability not to exceed \$600,000), cancelled effective 02-12-2000;

3) Employers Reinsurance Corporation (“Employers Re”) Bond No. DC-32182-X, effective 06-30-1988 for \$200,000; effective 08-02-1990 increased to \$300,000; effective 06-30-1991 bond number changed to DC-32830-X; effective 11-03-1993 increased to \$350,000, cancelled effective 02-12-1996;

4) Utica Mutual Insurance Company (“Utica”) Bond no. SU 36155, effective 07-01-1985 for \$200,000, cancelled effective 07-01-1988;

5) Insurance Company of North America (“INA”) Bond No. 913319, effective 07-01-1976 for \$68,000, effective 07-01-1977 increased to \$80,000; effective 09-01-1979 increased to \$125,000; effective 09-01-1983 increased to \$200,000, cancelled effective 07-01-1985; and

6) an alleged Safeco Insurance Company of America (“Safeco”) Bond No. 2439369 (amount of bond liability is reserved for further hearing by the Court ), effective 07-01-1974 to 07-01-1976.

4. This Court has jurisdiction and proper venue for purposes of granting an injunction and affording the equitable relief related to administering these Bonds held by the Commissioner. This Court has power to grant an injunction to enjoin multiple lawsuits and the power to appoint a receiver for the safekeeping, collection, management and disposition of property in litigation, whenever necessary to the ends of substantial justice under Tenn. Code Ann. § 29-1-103.

5. The Commissioner, the Bond Companies, and the Bonds could be subjected to multiple suits under Tenn. Code Ann. § 50-6-405. Good cause has been shown for the issuance of a temporary injunction as the only adequate remedy to prevent the irreparable harm of multiple suits or claims of preferential payment, as set forth in this Court’s February 13, 2002 Order and for the

appointment of a receiver to promote the efficient management and disposition of the Bonds to pay the claims against them according to the order requested by the Commissioner.

6. The Commissioner had recommended Jeanne B. Bryant, a licensed attorney who has acted as special deputy receiver for the Commissioner in many insurance company receiverships and has administered other similar workers compensation security, to be the receiver, subject to the Court's discretion. The Court has also received the offer of services by Joseph White, Esq., a licensed attorney practicing in Chattanooga familiar with the workers compensation matters of NAR/Wheland in his capacity as defense counsel. Mr. White is qualified and willing to carry out the duties set forth in the order of receiver, in an efficient and economical manner, and would now be charged to represent the Bond fund as a whole as receiver, and no party asserted any objection to Mr. White's appointment.

7. The Court finds that the Chattanooga firm which has acted as NAR/Wheland's most recent third-party administrator for workers compensation, Collins & Company, may properly be hired by the receiver as needed to provide assistance in specific evaluation of claims if this effectively supports the administration and complements the tasks carried on by the receiver. The familiarity of Collins & Company with the claimants and the files of NAR are factors which may allow them to serve efficiently and economically.

8. Consistent with the principles of equity and the purposes of the Bonds, the Bond funds should pay the reasonable expenses of the receiver and the administrator for the administration of the Bonds funds and to evaluate the unsatisfied claims for workers compensation liability of the employers as ordered by this Court.

9. The Court finds that the Bonds penalty sums issued by USFIC, USF&G and Employers Reinsurance should be made available immediately in this action in order to commence the administration and to provide accessible funds as claims are anticipated against these bonds. All administrative expenses shall be apportioned to each bond equitably pursuant to further Order of this Court.

10. The Court will hold in abeyance any order with respect to Utica, INA and Safeco paying over their penal sums until further moved by the State or the receiver after the Clerk & Master and receiver have received, reviewed and determined that the apparent value of the proofs of claims

**timely filed by the bar date herein** by persons covered during the applicable bond coverage periods is sufficient to warrant such a motion and that it is appropriate. The Court DENIED the oral motion of Flossie Weill, Esq. representing certain injured employees with alleged claims during the coverage period of the Utica bond, for Utica to pay over its bond penal sum at this time, without prejudice to Ms. Weill renewing her motion by written application, or the State or receiver making such motion.

11. The Court finds from initial information submitted on February 21, 2002, that there should be an opportunity for interested parties to present requests for immediate benefits. The Court shall convene a hearing on those employees with workers compensation claims who assert an emergency need for immediate medical or disability benefits assistance during the pendency of this action. That hearing, as more fully set forth below, shall be held March 21, 2002 at 9:30 a.m. in Part 1 of this Court, and any requests to be heard at such hearing shall be based upon a written filing of proof of claim with the Clerk & Master on or before March 12, 2002.

THEREFORE, it is ORDERED AND DECREED:

**Order for Turn-Over and Deposit of Bond Penal Sums**

1. That the following Bond Company Respondents immediately turn over the penal sum of the Bonds by depositing said sums with the Chancery Court of Hamilton County, Office of the Clerk & Master, pending the outcome of the claims administration in this case, as follows: USFIC - \$975,000; USF&G - \$600,000; Employers Re - \$350,000. **Upon paying such penal sums, each such Respondent shall be released and discharged from any further liability on the Bonds.** The Clerk & Master shall account and report to the Court as to the date of receipt of such sums. Any failure of such Respondents to make payment shall be promptly reported to the Court to make such further orders as appropriate;

2. That the following Bond Company Respondents, Utica, INA and Safeco, shall be subject to the Court's administration of the Bond Funds through this action, and claims against such Bonds shall only be presented through this action, but these Respondents shall not pay over their bond sums until further Order of the Court, upon a showing that claims have been made or will be made against such Bonds through proofs of claims filed as set forth in the Plan of Administration;

3. The Court continues to reserve for further hearing and Order the matter of the Bond liability of Safeco. The State and Safeco may each employ discovery to determine evidence of the bond;

4. That an Order and Plan of Receivership and Temporary Injunction is granted as follows which shall be the exclusive method of making any claim on the Bond funds:

**Order and Plan of Receivership and Temporary Injunction**

A. The BONDS held for the use and benefit of NAR/Wheland's Tennessee or other employees entitled to the benefits of Tennessee's workers' compensation law, and (collectively referred to as "the Bonds") shall be jointly administered by the Receiver appointed by this Court, under the supervision of this Court, for the payment of due and properly-owed self-insured claims of or relating to NAR/Wheland's Tennessee employees injured in the course and scope of their employment during the period of the employers' self-insurance covered by the Bonds and for the payment of the cost of this administration.

B. The Respondent Bond Companies as set forth above shall forthwith pay on the Bonds to the Clerk & Master of the Hamilton County Chancery Court for the pendency of this action, for the sole and immediate purpose of being deposited, at interest, pursuant to Tenn.R.Civ.Pro. 67 with the Court, into separate accounts, for the purposes of this administration and the statutory purposes of the Bonds. The interest earned shall become part of the Bond proceeds from which claims and expenses are paid. The Clerk & Master shall acknowledge receipt of any sums so paid by any of the foregoing Bond Companies. Upon any Bond Company paying the amounts aforesaid into deposit of this Court, such Respondent is released and discharged from any further liability on account of its Bond, and the Commissioner or appropriate official for the State may execute a release and return of the original bonds that will be delivered to the Bond Companies in accordance with this Order.

C. A receiver is hereby appointed for the administration of the Bonds and that the person to be appointed, as recommended by the Court, is Joseph R. White, Esq., a licensed attorney with the firm of Spears, Moore, Rebman & Williams (hereinafter, "Receiver") who shall be paid for his time \$ 95.00/hour, plus his reasonable expenses and expenses of staff

assisting at his direction. The Receiver shall serve without bond. The Receiver may file such reports and required accountings ordered in the Plan of Receivership as an officer of the Court.

D. That the Receiver well and truly perform the duties described herein and duly account for all monies, claims and properties that may come into his hands and abide by and perform all things that the Receiver shall be directed to do by this and further orders of this Court;

E. The Receiver shall diligently attempt to identify and the Clerk & Master shall give notice to persons who reasonably would be expected to make claim on the Bonds, through a written notice to be mailed by the Clerk & Master of this Court, which expenses shall be a cost of this action. Any third party administrators for NAR/Wheland, and any attorneys representing injured workers and the workers themselves shall fully cooperate with the Commissioner and Receiver in all respects, including turnover of requested records, including workers compensation activities and medical records. The Receiver shall assemble and determine the validity of the claims by employees who have claims and any other claims which the Receiver, through reasonable diligence, may ascertain exist against the workers' compensation self-insurance Bonds of NAR/Wheland;

F. That the Clerk & Master give notice of this action and of the claims filing deadline and procedures for filing such claims to the claimants through such notice as the Receiver deems necessary in order to provide adequate and timely notice and information to all potential claimants, and that the Clerk & Master obtain such information from NAR/Wheland and their former claims administrator (Collins & Company) with regard to identifying potential claimants as is available. The Clerk & Master shall give notice to claimants known as of entry of this Order within 15 days after entry, and shall serve potential claimants identified thereafter with notice as soon as practicable. The Receiver or Clerk & Master may apply for interim, expedited approval of this Court for costs and expenses associated with the giving of this notice, and may seek guidance from the Court on the extent of notice to be given.

G. That any Tennessee employees of NAR/Wheland, or NAR/Wheland employees otherwise entitled by law to receive benefits under the Tennessee workers'



compensation statutes, and any other claimants who intend to make claim on any proceeds of the Bonds, are required to file their claims in this action to allow the Receiver, with the approval of this Court, to pay from the Bonds (1) the receiver's time, administrative costs or other expenses of this process, including administrative expenses associated with obtaining the determinations of the claims administrator with respect to the valuation of the claims, or any other services required of a claims administrator and (2), on a pro-rata basis within any classes of claims and according to any priorities established by this Court, the valid claims of all persons who have unpaid workers' compensation benefits. The relative priority, if any, of any claims shall be determined by the Court. The employees and any other claimants are relieved of the requirement to Answer this Petition except by filing these claims, but may appear or file pleadings at any appropriate time to assert their legal rights.

H. That the employees of NAR/Wheland, the Respondents identified in this Petition and any other individuals or entities who do or could make claim on the Bonds (collectively referred to as "claimants"), who receive notice of this Order, be and hereby are restrained and enjoined from instituting any action, levy, attachment, or proceeding with any pending action, against the State, the Department, NAR/Wheland, the Receiver or the Bonds arising out of their claims against the Bonds described in this Order and the Complaint, except to file claims that are allowed in this proceeding. This injunction does not prevent any filing of claims in the Bankruptcy court; however orders of the Bankruptcy Court may affect claimants' further recoveries. This injunction is in accordance with the injunctive Order of the Bankruptcy Court, and accordingly does also affect and prohibit the right of claimants to liquidate their workers' compensation claims in the state courts other than through this Court.

I. **Claims Filing Deadline and Bar Date:** That, **in accordance with this Court's Order of February 13, 2002**, the claimants must file their separate claims to the Bond proceeds, by filing all Proofs of Claims to the proceeds of the Bonds with the Clerk & Master **no later than April 19, 2002, at 4:00 p.m. Eastern Time**. Claimants who have previously initiated court actions will be required to file such proofs of claims.

J.       **Emergency Requests for Benefits.** The Court shall hold a hearing on March 21, 2002 at 9:30 a.m. Eastern Time, in Part I, to hear any employees asserting an emergency need for immediate medical or disability benefits assistance during the pendency of this action. Any such requestor who wishes to be heard on that date shall file a written request with proof of claim supporting information filed with the Clerk & Master of this Court on or before March 12, 2002. A notice of this hearing shall be included in the notices to persons required by paragraphs E. and F. above.

K.       That the Receiver be allowed to move this Court for any further instructions, orders or modifications of this order as may be necessary to accomplish the purposes of this administration and liquidation of Bond proceeds.

L.       That the Receiver shall determine, with reference to Tenn. Code Ann. § 50-6-405 and in accordance with any other principles and statutes of workers' compensation law, the nature and extent of claims received by the Receiver.

M.       That the Receiver shall take into account any other sources of coverage for the claims, and specifically any other policies, in recommending claims allowable against the Bonds.

N.       That the Receiver shall submit a report to this Court within 45 days after the claims deadline seeking approval of the Receiver's determination of valid claims and listing the reasons for the denial in whole or in part of dishonored claims. A copy of that report shall also be sent to those claimants whose claims the Receiver proposes to dishonor in whole or in part so that those individuals or entities may file written objections to such report within the time specified in the report. Any disputes in the determination of the amount to be paid on any claim shall be ruled upon by the Court after an opportunity for hearing on the Report of the Receiver. The Receiver may enter into settlements of any claims amounts which shall be conditioned upon approval by the Court.

O.       The Receiver shall provide information to the Commissioner and this Court periodically about the estimated aggregate claims liability, and if any Bonds are not ordered fully paid over at the commencement of this action, the Receiver and the Commissioner shall seek

further authority from this Court to obtain payments from the Bonds for reserved claims liability as required.

P. That either in conjunction with the Report of the Receiver (setting disputed claims for hearing) or as a separate filing, the Receiver shall recommend to the Court a Plan containing an order of distribution, the amount of recommended claims figures if not previously approved by the Court, and a method of paying the claims that shall be sent to all claimants and persons who are entitled to receive the pleadings in this matter. Should the total monetary value of valid claims against the Bonds, or claims found applicable to any one of the Bonds, including the reasonable administrative expenses incurred by the Receiver, costs and any other expenses authorized by this Court as necessary to the benefit of this administration and liquidation of the Bonds exceed the total liability of such Bonds, the Plan may propose priorities of payment or other classifications. Claimants may file written objections to the plan recommended by the Receiver, and the Commissioner or other notice parties may also have standing with respect to stating a position on the proposed plan. After opportunity for hearing, the Court may approve or modify said plan, and order payment as the interests of justice require. The Receiver and the claimants will be required to use the Benefit Review Conference mediation before any disputed claim shall be submitted to the Court. The Receiver may, but is not required to recommend interim partial distributions in the interest of justice if there are funds for such partial distributions as approved by the court.

Q. That, upon expiration of thirty (30) days after entry of the order of approval by this Court of the report of the Receiver setting forth any Plan of Distribution described above and this Court's determination that no other claims against the Security should be allowed, conditioned upon the availability of the funds provided by the Bonds, the Clerk & Master shall distribute and the Receiver shall monitor the Clerk & Master's distribution of payment to holders of valid approved claims against the Bonds as determined by this Court.

R. That the Receiver and Clerk & Master jointly submit to the Court a report of final payment within thirty (30) days after completion of disbursement of the proceeds of the Bonds to valid claimants and the Receiver shall seek an order of discharge accordingly. Upon

discharge, the Court's injunctions against further claims relating to the Bonds or their administration against the State, the Bonding Companies, or NAR/Wheland, shall become permanent.

S. That the assembly and determination of claims and the distribution of Bond proceeds shall be performed by the Receiver or through staff under direction of the Receiver, including Collins & Company, and by consultation with the Receiver's counsel, if any. The Clerk & Master and the Receiver shall be responsible for the giving of the initial notice of the claims process to potential claimants, and shall be entitled to \$5000 from Bond proceeds turned over to fund that initial notice and any publication to employees of NAR/Wheland.

T. The Commissioner has proposed and this Court orders that the Receiver be permitted to employ the services of Collins & Company of Chattanooga, Tennessee, NAR/Wheland's former claims administrator, to aid in determining who reasonably should receive notice and a proof of claim form, to analyze the claims (other than any claim Collins may have) in light of the evidence provided therewith, and their existing information about such claims, and to aid the Receiver in the evaluation and resolution of workers' compensation claims. This order is made to gain the economic benefit and efficiency of services from an entity with prior knowledge and familiarity with the claimants. Collins will be compensated at the same or comparable rates for its reasonable services rendered to the Receiver as it charged to NAR/Wheland, and shall provide evidence of such rates to the Receiver. All services shall be documented by invoice, and with the exception of any of its services provided out of the initial \$5000, shall be paid out of the Bonds only after Court approval. The Receiver shall move the Court for approval to make any other payments to Collins & Company or for the Receiver at regular intervals, no more frequently than monthly, and shall make accounting to the Court no less than quarterly until the conclusion of this matter.

U. That the Receiver be compensated in this matter only for the reasonable administrative expenses incurred and only from the proceeds of the Bonds after application to and approval of this Court. The Receiver may apply for interim approvals in the discretion of

the Court. Subject to actual fees and expenses submitted, the Receiver will charge \$95.00 per hour for his time expended on these duties and will charge for administrative expenses.

V. That all costs of this action be paid from the proceeds of the Bonds, and this Court shall apportion the costs to the respective Bonds pursuant to further order;

W. That, if this Court refers any matters or claims to a special master for determination, that such costs or reasonable fees of the master be paid from the proceeds of the Bonds, which payment shall be established in the Order of Reference;

X. That the Receiver be permitted to recover the Receiver's reasonable attorneys fees approved by this Court, if these services have been obtained with the approval of the Court and are found necessary to the proper administration of the Bonds proceeds and the aid of the Receiver in performing the Receiver's duties under this Order.

Y. That the Receiver make proper and appropriate accounting of all disbursements from the Bonds proceeds;

Z. That the State's liability to claimants or any other persons with respect to the Bonds for payment out of the Bonds proceeds shall be limited to those payments and administrative costs and other expenses finally approved by this Court and actually made from the Bonds proceeds, to the extent those funds had been released by the Bond Companies and placed at the Court's disposal plus any interest those proceeds may have accrued while held by the Court or by the Receiver or as otherwise ordered by this Court.

AA. That if the allowed claims and administrative expenses do not exceed the Bond proceeds, upon completion of the administration of the Bonds, after all claims have been fully and finally settled, any remainder of funds are to be paid as ordered by this Court. If a determination of the relative entitlement to the remaining proceeds between the Respondent Bond Companies is required, it shall be determined by this Court.

BB. This Order be entered without cost bond as provided by Tenn. Code Ann. § 20-13-101.

Court. If a determination of the relative entitlement to the remaining proceeds between the Respondent Bond Companies is required, it shall be determined by this Court.

BB. This Order be entered without cost bond as provided by Tenn. Code Ann. § 20-13-101.

5. That copies of all pleadings filed in this action shall be served on the Receiver, NAR/Wheland, the Bond Company Respondents, the undersigned Attorney General's Office, the NAR/Wheland United States Trustee, the NAR/Wheland counsel, and the Unsecured Creditors' Committee and the party involved in the particular subject matter of the pleading. The Court may direct such other service as appropriate by further order.

6. The Commissioner may apply to the Court for such further relief or modifications of these orders as necessary to the purposes of this proceeding.

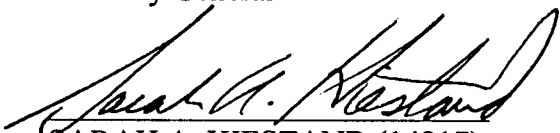
IT IS SO ORDERED.



W. FRANK BROWN, III  
CHANCELLOR

Approved for entry by

PAUL G. SUMMERS (6285)  
Attorney General



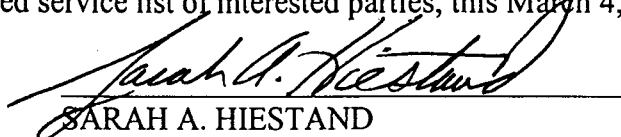
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I, the undersigned hereby certifies  
an exact copy of this pleading is  
served upon counsel for all parties  
interested in this case.

this 5 day of March, 2002  
A.B. 39N

I hereby certify that I have caused to be mailed, by U.S. mail, and faxed or emailed to counsel of record, the foregoing Order to the attached service list of interested parties, this March 4, 2002.



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